



## Economic Development for a Growing Economy Tax Credit



### Description

The Economic Development for a Growing Economy (EDGE) is a refundable tax credit program that rewards companies creating jobs and contributing to the growth of Indiana's economy. EDGE credits are calculated as a percentage of payroll tax withholding for net new Indiana jobs. EDGE credits may be awarded for up to 10 years.

Each year, a limited amount of EDGE credits are available for the retention of jobs in highly competitive situations. EDGE is established by I.C. 6-3.1-13.

#### ELIGIBILITY FOR JOB CREATION

Applicants interested in the EDGE credits to new job creation must demonstrate that the following conditions exist:

---

The applicant's project will create new jobs that were not jobs previously performed by employees of the applicant in Indiana.

---

The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment in Indiana and strengthening the economy of Indiana.

---

The political subdivisions affected by the project have committed significant local incentives with respect to the project.

---

Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not creating new jobs in Indiana.

---

Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

---

A person may not receive credit for any jobs a person relocates from one site in Indiana to another site in Indiana.

#### ELIGIBILITY FOR JOB RETENTION

Applicants interested in the EDGE credits in regards to job retention must demonstrate that the following conditions exist:

---

The applicant's project will retain existing jobs performed by the employees of the applicant in Indiana.

---

The applicant is engaged in research and development, manufacturing or business services.

---

The average compensation (including benefits) provided to the applicant's employees during the applicant's previous fiscal year exceeds the requirements set forth in I.C. 6-3.1-13-15.5.

---

The applicant employs at least 35 employees in Indiana.

---

The applicant has prepared a plan for the use of credits for:

- a. Investment in facility improvements or equipment and machinery upgrades, repairs or retrofits; or
- b. Other direct business related investments, including, but not limited to training.

---

Receiving the tax credit is a major factor in the applicant's decision to go forward with the project, and not receiving the tax credit will increase the likelihood of the applicant reducing jobs in Indiana.

---

Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

---

The applicant's business and project are economically sound and will benefit the people of Indiana by increasing or maintaining opportunities for employment and strengthening the economy of Indiana.

---

The communities affected by the potential reduction in jobs or relocation of jobs to another site outside Indiana have committed significant local incentives with respect to the retention of jobs, as determined by the Indiana Economic Development Corporation (IEDC). Local incentives include, but are not limited to, cash grants, tax abatements, infrastructure improvements, investment in facility rehabilitation, construction and training investments.

### Calculation of Credits

EDGE may be awarded for up to 100 percent of the projected withholdings attributable to the company's Indiana project and may be awarded for up to 10 years. The company must commit to maintaining operations in Indiana for at least two years beyond the term of the company's EDGE award.

